



Chairman: Frank J. Vala

Members: Ed Bedore, Ricardo Morales, Larry Ivory, Bill Black

Minutes – March 10, 2016

The meeting of the Procurement Policy Board was called to order at 10:00 am on March 10, 2016. Roll call was taken. Present in Springfield was Chairman Vala, Member Bedore and Member Ivory. Present in Chicago was Member Morales. Member Black was participating via telephone. Member Bedore made a motion to allow Member Black to participate by phone. The motion was seconded by Member Ivory, all members voted in favor and the motion carried.

The minutes from the February 3, 2016 meeting were considered. Member Morales has a correction on the first page to change that Member Morales was participating by phone when he was actually in Chicago. Director Von Behren stated that it would be changed. Member Morales stated that he wanted to reconsider the objection that was made at the last meeting regarding the Governor's proposed legislation on procurement reform. Member Morales stated that he received more information after the meeting and he believed that the Board did not have all the information at the previous meeting. Member Ivory stated that since he was not at the previous Board meeting that he would abstain. Member Morales stated that he thinks the Board should have all of the information on the proposed legislation before it objects. Member Morales made a motion to rescind the Board's previous objection to the legislation. Member Bedore disagreed and stated that the proposed legislation almost eliminates all of the Board's oversight in procurement and he is against that. Member Black stated he wasn't going to rescind any comments that were made but that the Board acted on the information they had and that subsequent information is always good to have. Chairman Vala agreed that they were not rescinding any comments, but rather rescinding the objection until a more thorough review of the legislation could be done. It was agreed upon that the Board's staff should put together a comprehensive review of the proposed legislation for the Board Members and that if a special meeting was necessary, they would have one. Member Bedore stated that this Board has put in a lot of hard work and he would hate to lose it and he didn't agree with provision of the legislation that give current Board responsibilities to CMS. Chairman Vala stated that further discussion should be had regarding this legislation. Chairman Vala seconded the motion to rescind the Board's objection. Chairman Vala, and Members Black and Morales voted "aye" and Member Bedore voted "no". Member Ivory abstained from voting. The motion carried on a 3-1 vote. A motion was then presented to approve the minutes as amended and it was unanimously approved.

The Department of Corrections was present to give the Board an update on the commissary procurement. Present for the Department of Corrections was Jared Brunk, CFO, Mike Knauer, APO, and Darrell Marcy, Sourcing Supervision. Mr. Brunk stated that the Department was working with CMS on getting the solicitation put forward for personal hygiene items. Mr. Brunk stated the solicitation would have a 20% BEP goal. Member Ivory asked if they were breaking the procurement down by category. Mr. Brunk stated that they were breaking it down by categories and were going to use a line item approach recommended by the Board. Member Ivory and Chairman Vala had questions regarding the price of phone calls in the prisons. Mr. Brunk clarified that there was difference between Cook County rates and the rates that the Department of Corrections Charges. Member Black asked if there was a copy of the solicitation and the Department stated that it would be happy to share a copy with the Board.

The next agenda item was a lease review for the Illinois Housing Development Authority. Present for the Housing Authority was Executive Director Audra Hamernik, Vice Chairman Karen Davis, Board Member Mary Kane, Director of Legislative Affairs Charlotte Flickinger, General Counsel Maureen Ohle



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and APO, Amanda Carone. Director Hamernik stated that they were here to ask the Board to rescind their objection to the Authority's proposed lease in Chicago. Director Hamernik stated that the proposed lease meets the goal of the Housing Authority to combine efforts under one roof in way that is economically feasible. The Housing Authority would be saving around \$186,000 thousand a year versus staying in their current location. Member Bedore had question regarding the taxes in the proposed lease. Director Hamernik stated that Member Bedore was correct that there was no cap on the tax escalation and those taxes were going increase significantly in the upcoming years. Chairman Vala asked if they would be adding staff in the future. Director Hamernik confirmed that yes they may add some staff at a later date. Member Morales thanked Director Hamernik for providing the supplemental information and further explaining the Authority's need for the leased space. Member Bedore questioned if the proposed lease was any different than the one presented at Decembers meeting. Director Hamernik stated that their Board had voted in February to come back in the Procurement Policy Board with the same lease after getting a better understanding of the Housing Authority's need and their goals moving forward. Member Morales made a motion to rescind the objection to the lease. Member Ivory seconded that motion. A roll call vote was held. Chairman Vala and Members Morales, Ivory and Black voted "aye" and Member Bedore voted 'no'. The motion carried on the vote of 4-1.

Susan Florence was present from Central Management Services. Mrs. Florence stated that she was here to re-present a renewal option that was objected at last month's meeting. Mrs. Florence also stated that the rate is not out of line for a nearly full lease in that geographical area and that they did contact the Landlord to see if they would be willing to drop that rate they politely declined. No other questions were made from the Members. Chairman Vala moved to issue a letter of no objection to the lease and Member Morales seconded. Four Members voted in favor by saying 'aye'. Member Bedore did not vote.

Legislation was the next agenda item. Member Bedore stated that at this time he wanted the executive staff to come back with a complete synopsis of House Bill 4644. Member Bedore stated that some action by the Board was needed because the executive director can't act without some direction from the Board. Chairman Vala stated that it shouldn't be a problem to get an analysis within the next week or two. Member Ivory stated that this Board has had great oversight and it should be the responsibility of the Board to review the legislation and its effects on State procurement. All the Board Members agreed that a full review of the pros and cons of every issue of the bill will be completed for the Boards review.

The next meeting of the Procurement Policy Board will be Wednesday April 6, 2016. Having no further business Member Ivory moved to adjourn. Chairman Vala seconding the motion and the motion w as unanimously approved.